

shall be entitled only to receive the cash or securities payable upon redemption; and

(vi) such other terms and conditions as the Board of Directors shall determine.

For purposes of this Article EIGHTH, the determination of beneficial ownership of shares of capital stock of the Corporation shall be made pursuant to Rule 13d-3 under the Exchange Act.

NINTH: No contract or transaction between the Corporation and one or more of its directors, officers, or stockholders or between the Corporation and any person (as used herein "person" means other corporation, partnership, association, firm, trust, joint venture, political subdivision, or instrumentality) or other organization in which one or more of its directors, officers, or stockholders are directors, officers, or stockholders, or have a financial interest, shall be void or voidable solely for this reason, or solely because the director or officer is present at or participates in the meeting of the board or committee which authorizes the contract or transaction, or solely because his, her, or their votes are counted for such purpose, if: (i) the material facts as to his or her relationship or interest and as to the contract or transaction are disclosed or are known to the Board of Directors or the committee, and the Board of Directors or committee in good faith authorizes the contract or transaction by the affirmative votes of a majority of the disinterested directors, even though the disinterested directors be less than a quorum; or (ii) the material facts as to his or her relationship or interest and as to the contract or transaction are disclosed or are known to the stockholders entitled to vote thereon, and the contract or transaction is specifically approved in good faith by vote of the stockholders; or (iii) the contract or transaction is fair as to the Corporation as of the time it is authorized, approved, or ratified by the Board of Directors of the Corporation, a committee thereof, or the stockholders. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors of the Corporation or of a committee which authorizes the contract or transaction.

TENTH: The Corporation shall indemnify any person who was, is, or is threatened to be made a party to a proceeding (as hereinafter defined) by reason of the fact that he or she (i) is or was a director or officer of the Corporation or (ii) while a director or officer of the Corporation, is or was serving at the request of the Corporation as a director, officer, partner, venturer, proprietor, trustee, employee, agent or similar functionary of another foreign or domestic corporation, partnership, joint venture, sole proprietorship, trust, employee benefit plan or other enterprise, to the fullest extent permitted under the Delaware General Corporation Law, as the same exists or may hereafter be amended. Such right shall be a contract right and as such shall run to the benefit of any director or officer who is elected and accepts the position of director or officer of the Corporation or

elects to continue to serve as a director or officer of the Corporation while this Article TENTH is in effect. Any repeal or amendment of this Article TENTH shall be prospective only and shall not limit the rights of any such director or officer or the obligations of the Corporation with respect to any claim arising from or related to the services of such director or officer in any of the foregoing capacities prior to any such repeal or amendment to this Article TENTH. Such right shall include the right to be paid by the Corporation expenses (including attorneys' fees) incurred in defending any such proceeding in advance of its final disposition to the maximum extent permitted under the Delaware General Corporation Law, as the same exists or may hereafter be amended. If a claim for indemnification or advancement of expenses hereunder is not paid in full by the Corporation within sixty (60) days after a written claim has been received by the Corporation, the claimant may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim, and if successful in whole or in part, the claimant shall also be entitled to be paid the expenses of prosecuting such claim. It shall be a defense to any such action that such indemnification or advancement of costs of defense is not permitted under the Delaware General Corporation Law, but the burden of proving such defense shall be on the Corporation. Neither the failure of the Corporation (including its Board of Directors or any committee thereof, independent legal counsel, or stockholders) to have made its determination prior to the commencement of such action that indemnification of, or advancement of costs of defense to, the claimant is permissible in the circumstances nor an actual determination by the Corporation (including its Board of Directors or any committee thereof, independent legal counsel, or stockholders) that such indemnification or advancement is not permissible shall be a defense to the action or create a presumption that such indemnification or advancement is not permissible. In the event of the death of any person having a right of indemnification under the foregoing provisions, such right shall inure to the benefit of his or her heirs, executors, administrators, and personal representatives. The rights conferred above shall not be exclusive of any other right which any person may have or hereafter acquire under any statute, bylaw, resolution of stockholders or directors, agreement, or otherwise.

The Corporation may additionally indemnify any employee or agent of the Corporation to the fullest extent permitted by law.

As used herein, the term "proceeding" means any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, arbitrative, or investigative, any appeal in such an action, suit, or proceeding, and any inquiry or investigation that could lead to such an action, suit, or proceeding.

ELEVENTH: A director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, except for liability (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good

faith or which involve intentional misconduct or knowing violation of law, (iii) under Section 174 of the Delaware General Corporation Law, or (iv) for any transaction from which the director derived an improper personal benefit. Any repeal or amendment of this Article ELEVENTH by the stockholders of the Corporation shall be prospective only, and shall not adversely affect any limitation on the personal liability of a director of the Corporation arising from an act or omission occurring prior to the time of such repeal or amendment. In addition to the circumstances in which a director of the Corporation is not personally liable as set forth in the foregoing provisions of this Article ELEVENTH, a director shall not be liable to the Corporation or its stockholders to such further extent as permitted by any law hereafter enacted, including without limitation any subsequent amendment to the General Corporation Law of the State of Delaware.

TWELFTH: The Corporation expressly elects not to be governed by Section 203 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Amendment as of the 23rd day of April, 1999.

By: 

Michelle Bishop
Secretary

CERTIFICATE OF INCORPORATION
OF
Preferred Communication Systems, Incorporated

- FIRST:** The name of the corporation is: Preferred Communication Systems, Incorporated
- SECOND:** The address of the registered office of the corporation in the State of Delaware is located at 5 Starboard Center, Rte 1, Suite 0042, City of Bethany Beach, County of Sussex. The name of the registered agent at that address is Business Filings International, Inc.
- THIRD:** The purpose of the corporation is to engage in any lawful act or activity for which corporations may be organized under the Delaware General Corporation Law.
- FOURTH:** The total number of shares of stock which the corporation is authorized to issue is two million shares of common stock having a par of \$.001.
- FIFTH:** A director of the corporation shall not be liable to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director of this corporation to the fullest extent of the laws of Delaware
- Any repeal or modification of the foregoing paragraph by the stockholders of the corporation existing at the time of such repeal or modification.
- SIXTH:** The name and address of the incorporator is Business Filings Incorporated, 714 North Henry, Suite 201, Madison, WI 53703.
- SEVENTH:** The name and address of the initial director of the corporation is: Charles M. Austin, 100 South Sunrise, #499, Palm Springs, CA 92262.

I, the undersigned, being the incorporator, for the purpose of forming a corporation under the laws of the State of Delaware do make, file, and record this Certificate of Incorporation and do certify that the facts herein are true.


Richard Oster, Vice-President
Business Filings Incorporated

Dated: January 15, 1998

**BYLAWS
OF
PREFERRED COMMUNICATION SYSTEMS, INC.**
A Delaware Corporation

ARTICLE I. Principal Office

1.1 Office

The address of the principal office of the Corporation shall be 170-C North Palm Canyon Drive in the city of Palm Springs and state of California. The Corporation may have other offices, either within or without of the State of Incorporation as the Board of Directors may designate or as the business of Corporation may require.

ARTICLE II. Meetings of Shareholders.

2.1 Place of Meetings.

The meetings of the shareholders shall be held at such place, either within or without of the state of California, as may be fixed by the Board of Directors.

2.2 Annual Meetings.

The annual meeting of the shareholders, for the election of Directors and transaction of any other business that may come before the meeting, shall be held in each year at the corporate offices or at any other place within or without of the state of California as may be determined by the Directors and as may be designated in the notice of that meeting. If that date is a legal holiday, the annual meeting shall be held on the next succeeding day that is not a legal holiday.

2.3 Special Meetings.

A special meeting, other than those regulated by statute, of the shareholders for any purpose or purposes may be called at any time by the President, by a majority of the Board of Directors, by designated officers of the Corporation, or by shareholders together holding at least 20% of the number of shares of the Corporation at the time outstanding and entitled to vote with respect to the business to be transacted at such meeting. At a special meeting, no other business shall be transacted and no corporate action shall be taken other than that stated in the Notice of the meeting.

2.4 Notice of Meetings.

Written or printed notice stating the place, day and hour of every meeting of the shareholders and, in case of a special meeting, the purpose or purposes for which the meeting is called, shall be mailed not less than five nor more than sixty days before the date of the meeting to each shareholder of record entitled to vote at such meeting, at his/her address which appears in the share transfer books of the Corporation. If mailed, notice shall be deemed to be delivered when deposited in the United States mail. Such further notice shall be given as may be required by law, but meetings may be held without notice if all the shareholders entitled to vote at the meeting are present in person or by proxy or if notice is waived in writing by those not present, either before or after the meeting.

2.5 Quorum.

Any number of shareholders together holding at least a simple majority of the outstanding shares of capital stock entitled to vote with respect to the business to be transacted, who shall be present in person or represented by proxy at any meeting duly

called, shall constitute a quorum for the transaction of business. If less than a quorum shall be in attendance at the time for which a meeting shall have been called, the meeting may be adjourned by a majority of the shareholders present or represented by proxy without notice other than by announcement at the meeting.

2.6 Voting.

At any meeting of the shareholders, each shareholder of a class entitled to vote on any matter coming before the meeting shall, have one vote, in person or by proxy, for each share of capital stock of such class standing in his/her name on the books of the Corporation on the date, at least thirty days prior to such meeting, fixed by the Board of Directors as the record date for the purpose of determining shareholders entitled to vote. Every proxy shall be in writing, dated and signed by the shareholder entitled to vote or his/her duly authorized attorney-in-fact.

2.7 Order of Business.

The order of business at all meetings of shareholders shall be as follows, unless otherwise adopted by the Board:

1. Roll call
2. Proof of notice of meeting or waiver of notice
3. Reading of minutes and acceptance of preceding meeting
4. Reports of officers
5. Reports of committees
6. Election of directors, if required
7. Unfinished business
8. New business

2.8 Informal Action by Shareholders.

Unless otherwise provided by law, any action required to be taken at a meeting of shareholders, or other action which may be taken at a meeting of the shareholders, may be taken without a meeting if the shareholders give unanimous written consent setting forth the action to be taken and signed by all shareholders entitled to vote on the action.

ARTICLE III. Directors.

3.1 General Powers.

The property, business and affairs of the Corporation shall be managed and controlled under the direction of the Board of Directors, and, except as otherwise expressly provided by law, the Articles of Incorporation or these Bylaws, all of the powers of the Corporation shall be vested in such Board. Such management and general control will be by majority vote of the Board of Directors, with each Director having equal vote.

3.2 Number of Directors.

The number of Directors constituting the Board of Directors shall be _____.

3.3 Election and Removal of Directors.

- (A) Directors shall be elected at each annual meeting of shareholders to succeed those Directors whose terms have expired and to fill any existing vacancies.
- (B) Directors shall hold their offices a term of one year and until their successors are elected. Any Director may be removed from office at a meeting called expressly for that purpose by the vote of shareholders holding not less than a majority of the

shares entitled to vote at an election of Directors.

- (C) Any vacancy occurring in the Board of Directors may be filled by the affirmative vote of the majority of the remaining Directors, though less than a quorum of the Board, and the term of office of any Director so elected shall expire at the next shareholders' meeting at which Directors are elected.

3.4 Quorum.

A majority of the number of Directors proscribed in these Bylaws shall constitute a quorum for the transaction of business. The act of a majority of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. If less than a majority is present at a meeting, the majority of those present may adjourn the meeting without further notice.

3.5 Regular Meetings of Directors.

An annual meeting of the Board of Directors shall be held without notice other than this bylaw immediately after, and at the same place as, the annual meeting of shareholders.

3.6 Special Meetings of Directors.

Special meetings of Directors may be called at the request of the President, other duly authorized officer or any two Directors. The person or persons authorized to call special meetings of Directors may designate the place and time for holding any special meeting of Directors.

3.7 Notice.

Notice of any special meeting shall be given at least 10 days previously thereto by written notice delivered personally or mailed to each director at his/her business address. If mailed, notice is deemed to be delivered when deposited in the United States mail. The attendance of a Director at a meeting shall be deemed to be a waiver of notice of such meeting unless the Director attends the meeting for the express purpose of objecting to the transaction of business at the meeting because the meeting is not properly called or convened. Meetings may be held at any time without notice if all of the Directors are present, or if those not present waive notice in writing either before or after the meeting.

3.8 Compensation.

By resolution of the Board, Directors may be allowed a fee and expenses for attendance at all meetings, but nothing herein shall preclude Directors from serving the Corporation in other capacities and receiving compensation for such other services.

3.9 Manner of Acting.

The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Directors.

3.10 Executive and Other Committees.

The Board of Directors may designate committees made up of Directors from time to time, as the Directors see fit. The purposes for which the committees are formed are to be designated by the Board. The committees may be dissolved by affirmative vote of the Board of Directors.

3.11 Informal Action by Directors.

Unless otherwise provided by law, any action required to be taken at a meeting of Directors, or other action which may be taken at a meeting of the Directors, may be taken without a meeting if the directors give unanimous written consent setting forth the action to be taken and signed by all Directors entitled to vote on the action.

12 Indemnification.

The Corporation shall indemnify each of its directors, officers and employees whether or not then in services as such, against all reasonable expenses actually and necessarily incurred by him or her in connection with the defense of any litigation to which the individual may have been made a party because he or she is or was a director, officer or employee of the Corporation. The individual shall have no right to reimbursement, however, in relation to matters as to which he or she has been adjudged liable to the Corporation for negligence or misconduct in the performance of his/her or her duties, or was derelict in the performance of his/her or her duty as director, officer or employee. The right to indemnity for expenses shall also apply to expenses of suits which are settled if the court having jurisdiction of the matter shall approve of the settlement.

ARTICLE IV. Officers.

4.1 Election of Officers; Terms.

The officers of the Corporation shall consist of a President, a Secretary and a Treasurer. Other officers, including a Chairman of the Board, Chief Executive Officer, Chief Operating Officer, one or more Vice-Presidents, and assistant and subordinate officers, may from time to time be elected by the Board of Directors. All officers shall hold office until the next annual meeting of the Board of Directors and until their successors are elected. Any two officers may be combined in the same person as the Board of Directors may determine.

4.2 Removal of Officers; Vacancies.

Any officer of the Corporation may be removed summarily with or without cause, at any time, by the Board of Directors. Vacancies may be filled by the Board of Directors.

4.3 Duties.

The officers of the Corporation shall have such duties as generally pertain to their respective offices as well as such powers and duties as are prescribed by law or are hereinafter provided or as shall be conferred by the Board of Directors.

4.4 Duties of the President.

Unless otherwise defined by the Board, the President shall be the Chief Executive Officer of the Corporation and shall be primarily responsible for the implementation of policies of the Board of Directors and shall have authority over the general management and direction of the business and operations of the Corporation and its divisions, if any, subject only to the ultimate authority of the Board of Directors. In the absence of the Chairman and the Vice-Chairman of the Board, or if there are no such officers, the President shall preside at all corporate meetings. The President may sign and execute, in the name of the Corporation, share certificates, deeds, mortgages, bonds, contracts or other instruments except in cases where the signing and the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law otherwise to be signed or executed. In addition, the President shall perform all duties incident to the Office of the President and such other duties as may be assigned by the Board of Directors.

4.5 Duties of the Vice-Presidents.

Each Vice-President, if any, shall have such powers and duties as may be assigned to him or her by the President or the Board of Directors. Any Vice-President may sign and execute, in the name of the Corporation, deeds, mortgages, bonds, contracts or other instruments authorized by the Board of Directors, except where the signing and execution thereof shall be expressly delegated by the Board of Directors or the President to some other officer or agent of the Corporation or shall be required by law or otherwise to be signed or executed.

4.6 Duties of the Treasurer.

The Treasurer shall have charge of and be responsible for all funds, securities, receipts and disbursements of the Corporation, and shall deposit all monies and securities of the Corporation in such banks and depositories as shall be designated by the Board of Directors. The Treasurer shall be responsible for maintaining adequate financial accounts and records in accordance with generally accepted accounting practices; for the preparation of appropriate operating budgets and financial statements; for the preparation and filing of all tax returns required by law; and for the performance of all duties incident to the office of Treasurer and such other duties as may be assigned to him or her by the Board of Directors, the Finance Committee or the President. The Treasurer may sign and execute in the name of the Corporation share certificates, deeds, mortgages, bonds, contracts or other instruments, except in cases where the signing and the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law or otherwise to be signed or executed.

4.7 Duties of the Secretary.

The Secretary shall act as secretary of all meetings of the Board of Directors and shareholders of the Corporation and, when requested, shall also act as secretary of the meetings of the committees of the Board of Directors. The Secretary shall keep and preserve the minutes of all such meetings in permanent books; see that all notices required to be given by the Corporation are duly given and served; have custody of the seal of the Corporation and shall affix the seal or cause it to be affixed to all share certificates of the Corporation and to all documents the execution of which on behalf of the Corporation under its corporate seal is duly authorized in accordance with law or the provisions of these Bylaws. The Secretary shall have custody of all deeds, leases, contracts and other important corporate documents; have charge of the books, records and papers of the Corporation relating to its organization and management as a Corporation; see that all reports, statements and other documents required by law (except tax returns) are properly filed; and in general perform all the duties incident to the office of Secretary and such other duties as may be assigned by the Board of Directors or the President. The Secretary may designate such subordinate officers or administrative personnel, as desirable, including Assistant Secretary, with the consent of the Board of Directors to carry out the duties of the office.

4.8 Compensation.

The Board of Directors shall have authority to fix the compensation of all officers of the Corporation.

ARTICLE V, Capital Stock.

5.1 Certificates.

Certificates shall represent the interest of each stockholder of the Corporation. They shall be numbered and entered in the books of the Corporation as they are issued. They shall exhibit the holder's name and the number of shares and shall be signed by the president or a vice-president and the treasurer or the secretary and shall bear the corporate seal.

5.2 Lost, Destroyed and Mutilated Certificates.

Holders of the shares of the Corporation shall immediately notify the Corporation of any loss, destruction or mutilation of the certificate thereof, and the Board of Directors may in its discretion cause new certificates for the same number of shares to be issued to such shareholder upon the surrender of the mutilated certificate or upon satisfactory proof of such loss or destruction.

5.3 Transfer of Shares.

The shares of the Corporation shall be transferable or assignable only on the books of the Corporation by the holder in person or by attorney on surrender of the certificate for such shares duly endorsed and, if sought to be transferred by attorney, accompanied by a written power of attorney to have the same transferred on the books of the Corporation. The Corporation

will recognize, however, the exclusive right of the person registered on its books as the owner of shares to receive dividends and to vote as such owner.

5.4 Fixing Record Date.

For the purpose of determining shareholders entitled to notice of or to vote at any meeting of shareholders or any adjournment thereof, or entitled to receive a dividend payment, or in order to make a determination of shareholders for any other proper purpose, the Board of Directors may fix in advance a date as the record date for any such determination of shareholders. Such date may not be more than sixty days prior to the date on which the particular action, requiring the determination of shareholders, is to be taken. If no record date is designated for the determination of shareholders entitled to notice of a meeting shareholders or to vote at a meeting of shareholders, or shareholders entitled to receive payment of a dividend, the date on which notices

of the meeting are mailed or the date on which the resolution of the Board of Directors declaring such dividend is adopted, as the case may be, shall be the record date for such determination of shareholders. When a determination of shareholders entitled to vote at any meeting of shareholders has been made as provided in this section, such determination shall apply to any adjournment thereof.

ARTICLE VI. Miscellaneous Provisions.

6.1 Seal.

The seal of the Corporation shall consist of a flat-faced circular die, of which there may be any number of counterparts, on which there shall be engraved the word "Seal" and the name of the Corporation.

6.2 Fiscal Year.

The fiscal year of the Corporation shall end on such date and shall consist of such accounting periods as may be fixed by the Board of Directors.

6.3 Checks, Notes and Drafts.

Checks, notes, drafts and other orders for the payment of money shall be signed by persons authorized by the Board of Directors. When the Board of Directors so authorizes, however, the signature of any such person may be a facsimile.

6.4 Amendment of Bylaws.

Unless proscribed by the Articles of Incorporation, these Bylaws may be amended or changed at any meeting of the Board of Directors by affirmative vote of a majority of the number of Directors fixed by these Bylaws. The shareholders entitled to vote in respect of the election of Directors, however, shall have the power to rescind, amend, alter or repeal any Bylaws and to enact Bylaws which, if expressly so provided, may not be amended, altered or repealed by the Board of Directors.

6.5 Dividends.

The directors may declare, and the Corporation pay, dividends on its outstanding shares in the manner and upon the terms and conditions provided by law.

PREFERRED ACQUISITIONS, INCORPORATED

Consent of Sole Director

Pursuant to Articles 1.09 and 4.01 of the General Corporation Law of 1995, as amended, the undersigned, being the sole member of the Board of Directors (the "Board") of Preferred Acquisitions, Incorporated (the "Corporation"), a Puerto Rico corporation, does hereby consent to and approve the adoption of the following resolution and each and every action effected hereby:

"WHEREAS, the Corporation was incorporated on July 23, 1999 to acquire and aggregate wireless telecommunications licenses for development and any other licit business for which a corporation can be organized under Puerto Rico law;

WHEREAS, the Board deems it advisable and in the best interest of the Corporation to adopt the attached by-laws;

WHEREAS, the Board deems it advisable and in the best interest of the Corporation to nominate and hereby elects Charles M. Austin to serve as Director in the Corporation's Board;

NOW THEREFORE, BE IT RESOLVED, the attached by-laws are hereby adopted;

FURTHER RESOLVED, that Charles M. Austin is hereby named a director to this Board."

IN WITNESS WHEREOF, the undersigned sole member of the Board of Directors, has executed this **CONSENT** on the date indicated beside her signature.

By: _____
Michelle D. Bishop

Date: August 10, 1999

PLEDGE AGREEMENT

THIS PLEDGE AGREEMENT (this "Pledge Agreement") dated as of July 31, 2000, made by Preferred Communication Systems, Inc., a Delaware corporation (together with any successors, the "Pledgor"), in favor of ADS Partnership, a New Jersey partnership (the "Lender"). All capitalized terms not defined herein shall have the meanings ascribed to them in the Term Loan Agreement (as defined hereinbelow).

WITNESSETH

WHEREAS, Preferred Acquisitions, Inc. a Puerto Rico corporation (the "Borrower") has entered into a Term Loan Agreement, as the same may be amended from time to time, dated as of July 31, 2000, with the Lender (the "Agreement");

WHEREAS, the Pledgor is the sole shareholder of all of the Borrower's issued and outstanding common stock;

WHEREAS, in order to induce the Lender to enter into the Agreement with Borrower, the Pledgor has agreed to pledge its equity interest in the Borrower (equivalent to 100,000 shares of common stock) pursuant to an agreement by which the Pledgor has granted to the Lender a continuing security interest in such equity interest (hereinafter, the "Collateral") to secure the Borrower's Obligations (as hereinafter defined) under the Agreement;

WHEREAS, it is a condition precedent to granting the credit by Lender to the Borrower that the Pledgor execute and deliver this Pledge Agreement, and the Pledgor desires to execute and deliver this Pledge Agreement to satisfy such condition precedent.

NOW THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

1. **Defined Terms.** The following terms shall have the meanings specified below.
"Obligations" shall mean all of the Borrower's obligations to the Lender under the Agreement.
2. **Pledge of the Collateral.** As security for the Borrower's Obligations from time to time outstanding, the Pledgor hereby pledges 100,000 shares of common stock of the Borrower in accordance with the terms stipulated in the Agreement and agrees that the Collateral shall secure any and all of the Obligations of Borrower under the Agreement. The Lender shall be entitled to hold the Collateral in pledge until payment in full of all of the Obligations then outstanding. At any time after an Event of Default hereunder shall have occurred, and while such Event of Default shall be continuing and unremedied, the Lender shall be entitled, without notice to or demand upon the Pledgor, to foreclose the pledge of the Collateral.
3. **Application of Funds.** Any amounts realized by the Lender from the foreclosure of the pledged Collateral hereunder shall be applied by the Lender towards the payment of the Obligations then outstanding, which application shall be made first, to all reasonable costs and expenses of the Lender (including reasonable attorneys' fees) incurred in the collection and foreclosure of the Collateral, and any and all of the Obligations; second, so much of such amounts, if any, remaining, to the payment of the Obligations then outstanding; and third, any balance of such amounts remaining shall be distributed by the Lender to the Pledgor, or to any other person or legal entity who may be legally entitled thereto.

4. **Miscellaneous.**

- a. **Further Assurances.** The Pledgor hereby agrees to promptly execute and deliver such additional agreements and instruments and to promptly take such additional action as the Lender may at any time and from time to time request in writing in order for the Lender to obtain the full benefits and rights granted or purported to be granted by this Pledge Agreement, the Agreement, and to fully and continually perfect the security interest created hereby.
- b. **No Waiver; Cumulative Remedies.** No failure or delay on the part of the Lender in exercising any right, power or remedy hereunder or under or in connection with the Collateral shall operate as a waiver thereof; nor shall any single or partial exercise of any such right, power or remedy preclude any other or further exercise thereof or the exercise of any other right, power or remedy hereunder or under or in connection with the Collateral. The remedies herein provided are cumulative and not exclusive of any remedies provided by law.
- c. **Amendments, etc.** No amendment, modification, termination or waiver of any provision of this Pledge Agreement, or the Agreement, nor any consent to any departure by the Pledgor or the Borrower thereunder shall in any event be effective unless the same shall be in writing and signed by the Lender, and then such waiver or consent shall be effective only in the

specific instance and for the specific purpose for which it is given. No notice to or demand on the Pledgor in any case shall entitle the Pledgor to any other or further notice or demand in similar or other circumstances.

- d. Addresses for Notices, etc. All notices, requests, demands, directions and other communications hereunder or in connection with the Collateral shall be in writing and shall be deemed to have been given when sent by registered or certified mail, return receipt requested, to the following addresses:

Preferred Communication Systems, Inc.
170-C North Palm Canyon Drive
Palm Springs, CA

ADS Partnership
37 Rosenbrook Drive
Lincoln Park, NJ 07035

Attn: Divya Patel
Managing Partner

or, as to each party, at such other address as shall be designated by such party in a written notice to each other party complying with the terms of this Section.

- e. Effectiveness of this Pledge Agreement: Binding Effect. This Pledge Agreement shall be binding upon and inure to the benefit of the Lender and

its successors and assigns, and shall be binding upon the Pledgor and upon its successors and assigns.

- f. **Severability of Provisions.** Any provision of this Pledge Agreement which is prohibited or unenforceable in Puerto Rico or in any jurisdiction in the United States shall, as to Puerto Rico or such jurisdiction in the United States, be ineffective only to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction.
- g. **Heading.** Section headings used in this Pledge Agreement are for convenience of reference only and do not constitute part of this Pledge Agreement for any other purpose.
- h. **Governing Law.** This Pledge Agreement shall be governed by, and construed in accordance with, the laws of the Commonwealth of Puerto Rico.

IN WITNESS WHEREOF, the parties hereto have caused this Pledge Agreement to be duly executed by their respective officers hereunto duly authorized as of the date first above written.

PREFERRED COMMUNICATION SYSTEMS, INC.

By: Charles M. Austin
Name: Charles M. Austin
Title: President

ADS PARTNERSHIPBy: 

Name: Divya Patel

Title: Managing Partner

September 19, 2000

MR. CHANDU PATEL
101 East Main Street
Little Falls, NJ 07424

Dear Sirs:

To induce you at your option from time to time to make loans or advances at the request and/or for the account of **PREFERRED ACQUISITIONS, INCORPORATED** (hereinafter, called the "Borrower") and/or to discount any notes, bills receivable, bills of exchange, acceptances, checks and/or any other instruments or evidence of indebtedness (all hereinafter called "instruments"), upon which the Borrower is or may become liable as maker, endorser acceptor, or otherwise, and to make loans or advances on any such instruments or upon the security thereof and/or otherwise to extend credit in any manner to the Borrower, with or without security, the undersigned, and each of them, hereby guarantees jointly and severally with the Borrower, the punctual payment at maturity to you, your successors or assigns, of each and all loans, advances, credits and other obligations hereinbefore referred to, and also all other indebtedness of every kind which is now, or may hereafter become due or owing to you by the Borrower, including any and all instruments hereinbefore mentioned, (whether heretofore or hereafter issued) in which you now or may hereafter have or hold any interest, either as owner or as security, or otherwise, together with any and all expenses which may be incurred by you in collecting all or any of such indebtedness, and/or of enforcing any rights hereunder, provided, however, that the solidary liability of the undersigned hereunder shall not exceed at any one time the aggregated principal sum of [REDACTED]

[REDACTED] DOLLARS (\$[REDACTED]) lawful money of the United States of America, (irrespective of the currency(ies) in which the obligations hereby guaranteed are payable), plus such interest as may accrue thereon either before or after any maturity(ies) thereof, and such expenses as may be incurred by you as referred to above. And each of the undersigned hereby waives notice of acceptance of this guaranty, and also presentment, demand, protest and notice of dishonor for non-acceptance or non-payment of any and all of said instruments hereinbefore referred to any likewise waives demand for payment, and notice of non-payment of any and all loans, advances, credits, and other obligations hereinbefore referred to, and promptness in commencing suit against any party thereto or liability thereon, and/or in giving any notice to of or making any claim or demand hereunder upon the undersigned.

And the undersigned hereby consent and agree that you may at anytime, or from time to time, in your discretion, (1) extend or charge the time of payment, and/or the manner, place or terms of payments of all or any such instruments, loans, advances, credits and other obligations, or any part or parts thereof, or of any renewal thereof, (2) exchange, release, and/or surrender all or any of the collateral security, or any part or parts thereof, (by whomsoever deposited) which is now or may hereafter be held by you in connection with this guaranty, or any or all of the instruments, loans, advances credits, and other obligations hereinbefore referred to, (3) sell and/or purchase all or any part of such collateral at public or private or notarial sale, or at any broker's board, and after deducting all costs and expenses of every kind for collection, sale and delivery, the proceeds of any such sale or sales may be applied by you upon any obligation or obligations of the Borrower, payment of which is guaranteed by the undersigned or upon any other debt or liability of the respective undersigned to you, (4) settle or compromise with the Borrower, and/or any other person or persons liable thereon, any and all instruments, loans advances, credits and other obligations, payment of which is hereby guaranteed by the undersigned, and/or subordinate the payment of the same or any part thereof to the payment of any other debt or claim which may at any time

be due or owing to you and/or any other persons; all in such manner and upon such terms as you may see fit, and without notice to or further assent from any of the undersigned, who hereby agree to be and remain bound upon this guaranty, irrespective of the existence, value or condition of any collateral, and notwithstanding any such exchange, settlement, compromise, surrender, release, sale, application, renewal or extension and notwithstanding also that all obligations of the Borrower to you outstanding and unpaid at any time may exceed the amount prescribed in this guaranty.

And you are hereby authorized, at your option, to apply on account of any debt or liability of the undersigned to you, now existing or which may hereafter arise any money or other property, or the proceeds thereof, which may now or hereafter be deposited or be left with you by the undersigned or any of them or in which the undersigned or any of them have any interest. All remittances and property shall be deemed left with you as soon as put in transit to you by mail or carrier.

No delay on your part, or that of any of your successors or assigns, in exercising or enforcing any rights or lien hereunder or in taking any action to collect or enforce any of the indebtedness or other obligation hereby guaranteed, shall operate as a waiver of any such rights or liens or prejudice in any manner your rights hereunder, as against the undersigned.

In case of insolvency or bankruptcy in the affairs of the Borrower, or of any of the undersigned, or in case a petition in bankruptcy or for the appointment of a receiver should be filed in any court by or against the Borrower or by or against the undersigned or any of them, or application should be made for the attachment of any properties of any of them, then all of the instruments, loans, advances, credits or other obligations hereinbefore referred to shall be deemed for the purpose of this guaranty immediately due and payable and the responsibility of each one of the undersigned in this document shall be demandable, all without demand or notice.

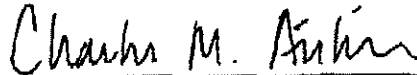
This is a continuing guaranty and shall remain in full force and effect until you have in fact received notice in writing at your above mentioned office that the same has been revoked by the undersigned. This guaranty may not be canceled or revoked in any other manner; and it is expressly agreed that the fact that no use is made of this guaranty for a period or various periods of time shall not be construed as amounting to a revocation or cancellation thereof. The revocation of this guaranty shall not release the undersigned from any liability as to any instruments, loans, advances or other obligations hereinbefore referred to which may be held by you or in which you may have any interest at the time of the receipt of such notice. No act or omission of any kind on your part in premises shall in any event affect or impair this guaranty, nor shall the same be affected by any change which may arise by reason of the death of any partner or partners of the undersigned, or of the Borrower, or of the accession to any such partnership of one or more new partners.

This guaranty shall be binding upon the undersigned, and each of them, and their respective executors, administrators, successors and assigns, as soon as any discount, loan discount, loan or advance is made by you, or any credit extended by you hereunder, or in reliance upon this guaranty, the undersigned hereby consenting and agreeing that all loans and advances which you may hereafter make, all instruments which you may hereafter discount, and all credit which you may hereafter extend to or for the Borrower during the existence of the guaranty, shall be deemed to be made at the request of the undersigned and in reliance upon this guaranty, it being understood that until such time as all obligations to you of the Borrower shall have been paid in full (notwithstanding that such obligations outstanding and unpaid at any time may exceed the amount prescribed in this guaranty, if any), the undersigned agree that

neither they, nor any one of them, nor their respective executors, administrators, successors and/or assigns, shall exercise any rights to proceed against the Borrower, nor shall assert against you or the Borrower, judicially or otherwise, any claim or right to be subrogated with respect to any amounts which may have been paid to you by the undersigned, or any of them, under the provisions of this document; it being the intention of the undersigned that, irrespective of the amounts which may at any time be owing to you by the Borrower, the obligations to you of the undersigned hereunder, up to the limit above stated, if any, shall not be diminished until such time as you shall have been paid in full.

If this guaranty is executed by more than one person, it shall be the joint and several obligation of each and every one of such persons, among themselves and with the Borrower, and shall not be deemed to have been revoked or diminished with respect to any of them by the death of all, some, or one of such persons, or by the revocation or release of any obligation hereunder, by or against all or any of such other persons.

PREFERRED COMMUNICATION SYSTEMS, INC.

A handwritten signature in cursive script, reading "Charles M. Austin", written over a horizontal line.

By: Charles M. Austin
President

ATTACHMENT D

Submitted: 12/22/2005 at 17:08:33

File Number: 0002408877

FCC 601

Main Form

FCC Application for Wireless Telecommunications Bureau
Radio Service Authorization

Approved by OMB

3060 - 0798

See instructions for
public burden estimate

1) Radio Service Code: YC	1a) Existing Radio Service Code:
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General Information

2) (Select only one) (AM)	
NE - New MD - Modification AM - Amendment	RO - Renewal Only RM - Renewal/Modification CA - Cancellation of License
AU - Administrative Update WD - Withdrawal of Application DU - Duplicate License	NT - Required Notifications EX - Requests for Extension of Time RL - Registered Location/Link
3a) If this application is for a Developmental License, Demonstration License, or a Special Temporary Authorization (STA), enter the code and attach the required exhibit as described in the instructions. Otherwise enter 'N' (Not Applicable).	() <u>D</u> <u>M</u> <u>S</u> <u>N/A</u>
3b) If this application is for Special Temporary Authority due to an emergency situation, enter 'Y'; otherwise enter 'N'. Refer to Rule 1.915 for an explanation of situations considered to be an emergency.	() <u>Yes</u> <u>No</u>
4) If this application is for an Amendment or Withdrawal, enter the file number of the pending application currently on file with the FCC.	File Number 0002408877
5) If this application is for a Modification, Renewal Only, Renewal/Modification, Cancellation of License, Duplicate License, or Administrative Update, enter the call sign of the existing FCC license. If this is a request for Registered Location/Link, enter the FCC call sign assigned to the geographic license.	Call Sign
6) If this application is for a New, Amendment, Renewal Only, or Renewal/Modification, enter the requested authorization expiration date (this item is optional).	MM / DD
7) Is this application "major" as defined in §1.929 of the Commission's rules when read in conjunction with the applicable radio service rules found in Parts 22 and 90 of the Commission's rules? (NOTE: This question only applies to certain site-specific applications. See the instructions for applicability and full text of §1.929).	() <u>Yes</u> <u>No</u>
8) Are attachments being filed with this application?	() <u>Yes</u> <u>No</u>

Fees, Waivers, and Exemptions

9) Is the applicant exempt from FCC application fees?	() <u>N</u> <u>Yes</u> <u>No</u>
10) Is the applicant exempt from FCC regulatory fees?	() <u>Yes</u> <u>No</u>
11a) Does this application include a request for a Waiver of the Commission's rule(s)? If 'Yes', attach an exhibit providing rule number(s) and explaining circumstances.	() <u>Yes</u> <u>No</u>
11b) If 11a is 'Y', enter the number of rule section(s) being waived.	Number of Rule Section(s):
12) Are the frequencies or parameters requested in this filing covered by grandfathered privileges, previously approved by waiver, or functionally integrated with an existing station?	() <u>Yes</u> <u>No</u>

Applicant Information

13) FCC Registration Number (FRN):

0004675617

14) Applicant/Licensee legal entity type: (Select One)

- ☐ Individual ☒ Corporation ☐ Unincorporated Association ☐ Trust ☐ Government Entity
☐ Consortium ☐ General Partnership ☐ Limited Liability Company ☐ Limited Liability Partnership
☐ Limited Partnership ☐ Other (Description of Legal Entity)

15) If the licensee name is being updated, is the update a result from the sale (or transfer of control) of the license(s) to another party and for which proper Commission approval has not been received or proper notification not provided?

() Yes **No**

16) First Name (if individual):

MI:

Last Name:

Suffix:

17) Legal Entity Name (if other than individual):

Preferred Acquisitions, Inc.

18) Attention To:

Charles Austin

19) P.O. Box:

And/Or

20) Street Address:

6311 North O'Connor Blvd. N24

21) City:

Irving

22) State:

TX

23) Zip Code:

75039

24) Telephone Number:

(972)869-7626

25) FAX:

(972)869-7625

26) E-Mail Address:

precomsys@aol.com**27) Demographics (Optional):****Race:**

- ☐ American Indian or Alaska Native
☐ Asian
☐ Black or African-American
☐ Native Hawaiian or Other Pacific Islander
☐ White

Ethnicity:

- ☐ Hispanic or Latino
☐ Not Hispanic or Latino

Gender:

- ☐ Male
☐ Female

Real Party in Interest

28) Name of Real Party in Interest of Applicant (If different from applicant):

29) FCC Registration Number (FRN) of Real Party in Interest:

Contact Information (If different from the applicant)

30) First Name:

MI:

Last Name:

Suffix:

31) Company Name:

32) Attention To:

33) P.O. Box:

And/Or

34) Street Address:

35) City:

36) State:

37) Zip Code:

38) Telephone Number:

39) FAX:

40) E-Mail Address:

Regulatory Status

41) This filing is for authorization to provide or use the following type(s) of radio service offering (enter all that apply):

() Common Carrier () Non-Common Carrier () Private, Internal communications () Broadcast Services () Band Manager

Type of Radio Service

42) This filing is for authorization to provide the following type(s) of radio service (enter all that apply):

() Fixed () Mobile () Radiolocation () Satellite (sound) () Broadcast Services

43) Interconnected Service? () Yes No

Alien Ownership Questions

44) Is the applicant a foreign government or the representative of any foreign government? () Yes No

45) Is the applicant an alien or the representative of an alien? () Yes No

46) Is the applicant a corporation organized under the laws of any foreign government? () Yes No

47) Is the applicant a corporation of which more than one-fifth of the capital stock is owned of record or voted by aliens or their representatives or by a foreign government or representative thereof or by any corporation organized under the laws of a foreign country? () Yes No

48a) Is the applicant directly or indirectly controlled by any other corporation of which more than one-fourth of the capital stock is owned of record or voted by aliens, their representatives, or by a foreign government or representative thereof, or by any corporation organized under the laws of a foreign country? () Yes No

48b) If the answer to the above question is 'Y', has the applicant received a ruling(s) under Section 310(b)(4) of the Communications Act with respect to the same radio service involved in this application? () Yes No

If the answer to 48b is 'N', attach to this application a date-stamped copy of a request for a foreign ownership ruling pursuant to Section 310(b)(4) of the Communications Act.

Basic Qualification Questions

49) Has the applicant or any party to this application had any FCC station authorization, license or construction permit revoked or had any application for an initial, modification or renewal of FCC station authorization, license, or construction permit denied by the Commission? () Yes No

50) Has the applicant or any party to this application, or any party directly or indirectly controlling the applicant, ever been convicted of a felony by any state or federal court? () Yes No

51) Has any court finally adjudged the applicant or any party directly or indirectly controlling the applicant guilty of unlawfully monopolizing or attempting unlawfully to monopolize radio communication, directly or indirectly, through control of manufacture or sale of radio apparatus, exclusive traffic arrangement, or any other means or unfair methods of competition? () Yes No

Aeronautical Advisory Station (Unicom) Certification

52) () I certify that the station will be located on property of the airport to be served, and, in cases where the airport does not have a control tower, RCO, or FAA flight service station, that I have notified the owner of the airport and all aviation service organizations located at the airport within ten days prior to application.

Broadband Radio Service and Educational Broadband Service Cable Cross-Ownership

53a) Will the requested facilities be used to provide multichannel video programming service? () Yes No

53b) If the answer to question 53a is yes, does applicant operate, control or have an attributable interest (as defined in Section 27.1202 of the Commission's Rules) in a cable television system whose franchise area is located within the geographic service area of the requested facilities? () Yes No

Note: If the answer to question 53b is 'Y', attach an exhibit explaining how the applicant complies with Section 27.1202 of the Commission's Rules or justifying a waiver of that rule. If a waiver of the Commission Rule(s) is being requested, Item 11a must be answered 'Y'.

Broadband Radio Service and Educational Broadband Service (Part 27)

54) (For EBS only) Does the applicant comply with the programming requirements contained in Section 27.1203 of the Commission's Rules? () Yes No

Note: If the answer to Item 54 is 'N', attach an exhibit explaining how the applicant complies with Section 27.1203 of the Commission's Rules or justifying a waiver of that rule. If a waiver of the Commission Rule(s) is being requested, Item 11a must be answered 'Y'.

55) (For BRS and EBS) Does the applicant comply with Sections 27.50, 27.55, and 27.1221 of the Commission's Rules? () Yes No

Note: If the answer to Item 55 is 'N', attach an exhibit justifying a waiver of that rule(s). If a waiver of the Commission Rule(s) is being requested, Item 11a must be answered 'Y'.

General Certification Statements

1)	The applicant waives any claim to the use of any particular frequency or of the electromagnetic spectrum as against the regulatory power of the United States because of the previous use of the same, whether by license or otherwise, and requests an authorization in accordance with this application.
2)	The applicant certifies that grant of this application would not cause the applicant to be in violation of any pertinent cross-ownership or attribution rules. <i>"If the applicant has sought a waiver of any such rule in connection with this application, it may make this certification subject to the outcome of the waiver request."</i>
3)	The applicant certifies that all statements made in this application and in the exhibits, attachments, or documents incorporated by reference are material, are part of this application, and are true, complete, correct, and made in good faith.
4)	The applicant certifies that neither the applicant nor any other party to the application is subject to a denial of Federal benefits pursuant to §5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C. § 862, because of a conviction for possession or distribution of a controlled substance. This certification does not apply to applications filed in services exempted under §1.2002(c) of the rules, 47 CFR § 1.2002(c). See §1.2002(b) of the rules, 47 CFR § 1.2002(b), for the definition of "party to the application" as used in this certification.
5)	The applicant certifies that it either (1) has current required ownership data on file with the Commission, (2) is filing updated ownership data simultaneously with this application, or (3) is not required to file ownership data under the Commission's rules.
6)	The applicant certifies that the facilities, operations, and transmitters for which this authorization is hereby requested are either: (1) categorically excluded from routine environmental evaluation for RF exposure as set forth in 47 C.F.R. 1.1307(b); or, (2) have been found not to cause human exposure to levels of radiofrequency radiation in excess of the limits specified in 47 C.F.R. 1.1310 and 2.1093; or, (3) are the subject of one or more Environmental Assessments filed with the Commission.
7)	The applicant certifies that it has reviewed the appropriate Commission rules defining eligibility to hold the requested license(s), and is eligible to hold the requested license(s).
8)	The applicant certifies that it is not in default on any payment for Commission licenses and that it is not delinquent on any non-tax debt owed to any federal agency.

Signature

56) Typed or Printed Name of Party Authorized to Sign

First Name:	MI:	Last Name:	Suffix:
Charles	M	Austin	
57) Title:			
President			
Signature:			58) Date:
Charles M Austin			12/22/2005
FAILURE TO SIGN THIS APPLICATION MAY RESULT IN DISMISSAL OF THE APPLICATION AND FORFEITURE OF ANY FEES PAID.			
Upon grant of this license application, the licensee may be subject to certain construction or coverage requirements. Failure to meet the construction or coverage requirements will result in termination of the license. Consult appropriate FCC regulations to determine the construction or coverage requirements that apply to the type of license requested in this application.			
WILLFUL FALSE STATEMENTS MADE ON THIS FORM OR ANY ATTACHMENTS ARE PUNISHABLE BY FINE AND/OR IMPRISONMENT (U.S. Code, Title 18, §1001) AND/OR REVOCATION OF ANY STATION LICENSE OR CONSTRUCTION PERMIT (U.S. Code, Title 47, §312(a)(1)), AND/OR FORFEITURE (U.S. Code, Title 47, §503).			